

INTERMOUNTAIN POWER SERVICE CORPORATION

CONTRACT 04-45616

and

SPECIFICATIONS 45616

for

**INSTALLATION OF SECONDARY AIR PREHEATERS
HARDWARE AND BASKETS**

CONTRACT ISSUED TO:

**TEI CONSTRUCTION, INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608**

CONTRACT ADMINISTRATOR: BRET KENT

BUYER: RALPH C. NEWBERRY

CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT, entered into this 29th day of JAN 2004, between the **INTERMOUNTAIN POWER SERVICE CORPORATION (IPSC)**, a nonprofit organization under contract to the Intermountain Power Agency (IPA), a political subdivision of the state of Utah, organized and existing under the Interlocal Co-Operation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended, and **TEI Construction Services, Inc.**, a Corporation, with its principal office in ~~Mobile, Alabama~~, hereinafter called the (Contractor), *Date 1/29/04*

Greer, SC
WHEREAS, IPSC has prepared specifications and other Contract Documents for providing **Manpower, Tools, and Consumable Material as required for Installation of Alstom Power Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets** up to a total of four (4) Secondary Air Preheaters in Units 1 and 2 as detailed in the Contract Documents (the Work), and has requested proposals from bidders to perform the Work;

WHEREAS, Contractor has submitted to IPSC a Proposal in accordance with the terms of this Contract Agreement; and

WHEREAS, IPSC has determined and declared Contractor to be the lowest and best, regular responsible bidder for the said Work, subject to execution of this Contract Agreement;

AGREEMENTS: In consideration of the compensation to be paid to Contractor, and of the mutual terms and conditions contained herein, IPSC for itself and its successors, and Contractor for itself and its permitted successors and assigns, hereby agree as follows:

ARTICLE I: Contractor shall perform in accordance with the provisions of this Contract Agreement, including the Contract Documents identified in Article III hereof.

ARTICLE II: Contractor will be paid for its performance under this Contract Agreement in accordance with the provisions of the Contract Documents, including those provisions in the Article entitled "Limitation of Liability; Responsible Party" in Part E, Division E1, General Conditions.

ARTICLE III: The term Contract Documents means and includes all of the following:


<u>PART</u>	<u>DIVISION</u>	<u>TITLE</u>
A	A1	Notice Inviting Proposals
B	B1	Instructions to Bidder
C		<u>Bidding Documents</u>
	C1	Proposal
	C2	Proposal Schedule
D	D1	Contract Documents Description
E	E1	General Conditions
	E2	Additional General Conditions
F		<u>Detailed Specifications</u>
	F1	Special Conditions
	F2	Detailed Requirements

The foregoing Contract Documents, and the documents identified in Part D "Contract Documents Description," are an integral part of this Contract Agreement and are hereby incorporated as part of this Contract Agreement as if fully restated herein. The above listed Contract Documents shall prevail over other information submitted with Contractor's Proposal.

ARTICLE IV: This Contract Agreement, including the Contract Documents, constitutes the entire Agreement of the parties hereto with respect to the Work and other subjects addressed herein, and supersedes all prior oral communications or written documents.


WHEREFORE, IPSC and Contractor execute this Contract Agreement as of the date stated in the first introductory paragraph.

INTERMOUNTAIN POWER SERVICE CORPORATION
850 West Brush Wellman Road
Delta, UT 84624-9546

By: 
George W. Cross
President and Chief Operations Officer

2/4/04
Date

TEI CONSTRUCTION SERVICES, INC.
7870 Schillinger, Park West
Mobile, AL 36608

By: 
Title: PRESIDENT

1/29/04
Date

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LIST OF SUGGESTED BIDDERS

TEI Construction Services, Inc.
7870 Schillinger, Park West
Mobile, AL 36608
Attention: Charles A. Steede
Telephone: 251-633-4181
Fax: 251-633-4158

Maintenance Enterprises, Inc.
703 East Gardena Blvd.
Gardena, CA 90248
Attention: Mike Simonds
Telephone: 310-239-0004
Fax: 310-329-0006

Alstom Power, Inc.
2360 Northwest Marine Drive
Troutdale, OR 97060
Attention: Jerry Bennett
Telephone: 503-669-1591
Fax: 503-669-0710

PART A - DIVISION A1

NOTICE INVITING PROPOSALS

The Intermountain Power Service Corporation (IPSC) invites sealed bids for providing **Manpower, Tools, and Consumable Material as required for Installation of Alstom Power Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets** up to a total of four (4) Secondary Air Preheaters in Units 1 and 2 in accordance with **Specifications 45616**, available in the Purchasing Section, Intermountain Power Service Corporation (IPSC), 850 West Brush Wellman Road, Delta, Utah 84624-9546.

Proposals shall be submitted on IPSC's bidding forms. All Proposals shall be filed with the Buyer at the above address on or before **Thursday, December 11, 2003**.

Proposals shall be subject to acceptance within, and irrevocable for, a period of ninety (90) calendar days after date of bid opening.

IPSC reserves the right to reject any and all Proposals.

In the performance of any contract awarded, the bidder shall not discriminate in employment practices against any employee or applicant for employment because of race, religion, national origin, ancestry, sex, age, or physical disability.

Dated: November 21, 2003


Ralph G. Newberry, C.P.M., Senior Buyer
Intermountain Power Service Corporation

PART B - DIVISION B1

INSTRUCTIONS TO BIDDERS

1. **Form, Signature, and Delivery of the Proposals:** The bidder's Proposal shall be made on the yellow copy of the Bidding Documents. The Specifications printed on white paper shall be retained by the bidder.

The bidder's name, address, and the date shall be stated in the Proposal. The Proposal shall be signed by the person authorized to bind the bidder.

The Proposal shall be enclosed in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the bidder. The envelope shall bear the words "Proposal for," followed by the Specification Number, the title of the Specifications, and the date and hour of bid opening.

If the Proposal is mailed, it shall be addressed as follows:

Purchasing Section
Intermountain Power Service Corporation
850 West Brush Wellman Road
Delta, UT 84624-9546

If the Proposal is sent by messenger, it shall be delivered to the Administration Building, Intermountain Power Service Corporation, 850 West Brush Wellman Road, Delta, Utah.

2. **Interpretations and Addenda:** Should a bidder find discrepancies or omissions in the plans, specifications, or other documents, or should there be doubt as to their true meaning, the bidder shall submit to the Buyer a written request for an interpretation or clarification thereof. A request for addenda, interpretation, or clarification shall be delivered to the Buyer marked "Request for Interpretation" and must be received by the Buyer in time to permit a reasonable response before the date of bid opening. Any interpretation of or change in the documents will be made only by addendum issued to each person to whom Specifications have been issued and will become a part of any contract awarded. IPSC will not be responsible for or bound by any other explanations or interpretations.
3. **Correspondence:** All inquiries or correspondence to IPSC prior to Award of Contract shall be addressed to the Buyer.
4. **Changes or Alternatives:** The bidder shall not change any wording in the documents. Any explanations or alternatives offered shall be submitted in a letter attached to the front of the Bidding Documents. Alternatives which do not substantially comply with IPSC's Specifications cannot be considered. Language of negation or limitation of any rights, remedies, or warranties provided by law will not be considered part of the Proposal. Bids offered subject to conditions or limitations may be rejected.

DIVISION B1

INSTRUCTIONS TO BIDDERS

5. Specified Materials or Equivalent: Whenever any particular material or process is specified by a patent or proprietary name, by a trade or brand name, of a manufacturer, such wording is used for the purpose of describing the material or process, fixing the standard of quality required, and shall be deemed to be followed by the words "or equivalent." The bidder may offer any material or process which shall be the equivalent of that so specified, but the bidder must identify the equivalent offered.
6. Language: Everything submitted by the bidder shall be written in the English language.
7. Taxes: All federal, state, and local taxes of all types, including, but not limited to, any excise taxes, taxes upon personal property, and sales and use taxes when applicable, are included in the prices stated herein, and whenever required by law, are separately stated.
8. Duties: Prices quoted by the bidder shall include all applicable duties.
9. Award of Contract: Award of Contract will be made to the lowest and best, regular responsible bidder. The determination as to which is the lowest and best, regular responsible bidder may be made on the basis of the lowest ultimate cost of the services, materials, equipment, or other Work in place and use. The right is reserved to reject any or all Proposals.

Within thirty (30) calendar days after the date of Award of Contract, the successful bidder shall sign the Contract supplied by IPSC. The Contract will be effective upon execution by IPSC. Award of Contract is subject to execution of IPSC's form of Contract Agreement and other Contract Documents.

PART C - DIVISION C1**PROPOSAL**

The undersigned hereby proposes to provide **Manpower, Tools, and Consumable Material as required for Installation of Alstom Power Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets** up to a total of four (4) Secondary Air Preheaters in Units 1 and 2 to the Intermountain Power Service Corporation in accordance with **Specifications 45616**.

The undersigned agrees, upon the acceptance of this Proposal: (a) to execute IPSC's form of Contract (including the Contract Agreement and other Contract Documents identified in said Specifications) for furnishing and delivering the items and services embraced in the accepted Proposal, and (b) to perform its obligations under the Contract at the prices stated in the accompanying Proposal Schedule.

The undersigned declares under penalty of perjury that this Proposal is genuine, is not a sham or collusive, and is not made in the interest or in behalf of any person or entity not herein named. The undersigned further declares under penalty of perjury that the bidder has not directly or indirectly induced or solicited any other bidder to submit a sham bid, or any other person, firm, or corporation to refrain from bidding. The undersigned also declares under penalty of perjury that the bidder has not in any manner sought by collusion to secure for itself an advantage over any other bidder.

I declare under penalty of perjury under the laws of the state of Utah that the foregoing is true and correct.

Date: December 09, 2003

Bidder: TEI Construction Services Inc.

Address: 7870 Schillinger Park West
Mobile, AL 36608

Signed By: Charles A. Steede
(Authorized Signature)

Print Name: Charles A. Steede

Title: Regional Manager

PART C - DIVISION C2**BIDDING DOCUMENTS - PROPOSAL SCHEDULE**

1. Proposal is hereby made to provide IPSC with Manpower, Tools, and Consumable Material as required for Installation of Alstom Power Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets up to a total of four (4) Secondary Air Preheaters in Units 1 and 2, F.O.B. Intermountain Power Service Corporation, 850 West Brush Wellman Road, Delta, UT, in accordance with Specifications 45616.

Each bidder shall include the following information with its bid:

- a. Proposed Installation Plan.
- b. Proposed subcontractor list, including, but not limited to, contacts, references, and telephone numbers. *Note: All subcontractors shall be approved by the Contract Administrator prior to mobilization.*
- c. Schedule of labor rates for Time and Material Work.
- d. A fixed price per each and per outage as follows: *(Note: Bidder's proposal shall include a clear description as to what is included in the Fixed Price Work as opposed to the Time and Material Work):*

FIXED PRICE		
Quantity	Outage	Cost per Each
Two (2) Each	2004	\$ 447,013.00
Two (2) Each	2005	\$ 639,467.00
ESCALATION PERCENTAGE		
Escalation Percentage if 2004 Project is Postponed Until Budget Year 2005-2006		43 %
Escalation Percentage if 2005 Project is Postponed Until Budget Year 2006-2007		10 %

DIVISION C2

BIDDING DOCUMENTS - PROPOSAL SCHEDULE

2. Payment Schedule: The following payment schedule shall apply:

PAYMENT SCHEDULE	
10% Payment	Upon Completion of Unloading and Staging of Hardware in Locations Approved by IPSC
80% Payment	Upon Completion of all Hardware Installation to the Full Operable Point, Including Satisfactory Cold Run of Air Heaters
10% Payment	Following Four (4) Weeks of Satisfactory Air Heater Operation Following Startup and Completion of all Remaining Miscellaneous Installation Items Such as Work and Storage Area Cleanup, Demobilization, Etc

3. Cash Terms: A discount for prompt payment is offered of 1 percent for Contract payments made within net 10 calendar days after date of acceptance or delivery and receipt of invoice.
4. Taxes: The foregoing quoted prices are inclusive of all applicable sales and use taxes.
5. Form of Business Organization: The bidder shall state below the form of its business organization.

Bidder is a Corporation, organized under the laws of the state of Delaware.
(Corporation, Partnership, Limited Partnership, Individual)

If a partnership, the bidder shall state below the names of the partners. If a corporation, the bidder shall state below the names of the president and of the secretary.

Dale Naughton _____ Dale Naughton _____

6. Person to Contact: Should IPSC desire information concerning this Proposal, please contact:

Name: Tinker Steede _____ Telephone No: (251) 633-4181 or (251) 401-9379

Address: 7870 Schillinger Park West, Mobile, AL 36608



TEI CONSTRUCTION SERVICES, INC.
A Babcock Power Inc. Company

EQUIPMENT RENTAL RATES

TEI Owned Equipment

Rates valid thru 12/31/2004

I. D. NO.	DESCRIPTION	MONTHLY RATE	WEEKLY RATE	DAILY RATE	HOURLY RATE	QTY	DATE IN	DATE OUT	TIME USED	RENTAL CHARGE
	CHAIN HOIST - 3T	\$125.00	\$42.00	\$14.00	\$3.00					
	CHAIN HOIST - 5T	\$200.00	\$67.00	\$22.00	\$4.00					
	CHAIN HOIST - OVER 5T	\$350.00	\$117.00	\$39.00	\$8.00					
	ELECTRIC DISTRIBUTION PANEL - 100 AMP	\$125.00	\$42.00	\$14.00	\$3.00					
	ELECTRIC DISTRIBUTION PANEL - 200 AMP	\$175.00	\$58.00	\$19.00	\$4.00					
	HOIST AIR 1000# LINE PULL	\$225.00	\$75.00	\$25.00	\$5.00					
	HOIST AIR 2000# LINE PULL	\$350.00	\$117.00	\$39.00	\$8.00					
	HOIST AIR 4000# LINE PULL	\$480.00	\$160.00	\$53.00	\$11.00					
	HOIST AIR 10000# LINE PULL	\$800.00	\$300.00	\$100.00	\$20.00					
	IMPACT WRENCH - 1 1/2" DRIVE	\$275.00	\$82.00	\$31.00	\$6.00					
	IMPACT WRENCH - 1" DRIVE	\$250.00	\$83.00	\$28.00	\$6.00					
	PIPE BENDER ELECTRIC	\$450.00	\$150.00	\$50.00	\$10.00					
	PIPE THREADING MACHINE	\$550.00	\$183.00	\$61.00	\$12.00					
	POWER SOURCE 500A	\$200.00	\$67.00	\$22.00	\$4.00					
	PUMP HYDRO - 1500 PSI	\$550.00	\$183.00	\$61.00	\$12.00					
	PUMP HYDRO - 2500 PSI	\$650.00	\$217.00	\$72.00	\$14.00					
	RADIO HAND HELD FM	\$185.00	\$55.00	\$18.00	\$4.00					
	SAW AIR 12"	\$900.00	\$300.00	\$100.00	\$20.00					
	SAW ELECTRIC - 12"	\$800.00	\$267.00	\$89.00	\$18.00					
	SAW REFRACTORY w/TABLE	\$350.00	\$117.00	\$39.00	\$8.00					
	SHEET METAL BRAKE	\$160.00	\$53.00	\$18.00	\$4.00					
	TRAILER OFFICE TOOL - 28'	\$250.00	\$83.00	\$28.00	\$6.00					
	TRAILER TOOL/OFFICE - 45'	\$350.00	\$117.00	\$39.00	\$8.00					
	TRAILER TOOL/OFFICE - 53'	\$450.00	\$150.00	\$50.00	\$10.00					
	TRAILER UTILITY - 20'	\$100.00	\$33.00	\$11.00	\$2.00					
	TRUCK - 1 TON	\$900.00	\$300.00	\$100.00	\$20.00					
	TRUCK PICKUP - 1/2 TON	\$750.00	\$250.00	\$83.00	\$17.00					
	TUBE MILLING TOOL - UP TO 3"	\$700.00	\$233.00	\$78.00	\$16.00					
	TUBE ROLLING MOTOR - STANDARD	\$750.00	\$250.00	\$83.00	\$17.00					
	WELDER MIGMASTER 250	\$450.00	\$150.00	\$50.00	\$10.00					
	WELDER ELECTRIC 250 AMP	\$180.00	\$60.00	\$20.00	\$4.00					
	WELDER ELECTRIC 300 AMP	\$180.00	\$60.00	\$20.00	\$4.00					
	WELDER ELECTRIC 6 PACK	\$700.00	\$233.00	\$78.00	\$16.00					
	WELDER MIG LINCOLN LN 25	\$250.00	\$83.00	\$28.00	\$6.00					
	WELDER ELECTRIC 4 PACK	\$450.00	\$150.00	\$50.00	\$10.00					
	4 PACK TURBO PULSE WELDER	\$850.00	\$285.00	\$95.00	\$20.00					
	PLASMA ARC MACHINE	\$150.00	\$50.00	\$18.00	\$3.50					
	AIR MONITOR	\$525.00	\$175.00	\$60.00	\$12.00					
	COPY MACHINE	\$450.00	\$150.00	\$50.00	\$10.00					
	COMPUTER W/PRINTER	\$100.00	\$30.00	\$10.00	\$2.00					



TEI CONSTRUCTION SERVICES, INC.

A Babcock Power Inc. Company

TIME & MATERIAL RATES

STATE: Utah
CUSTOMER: Intermountain Power
EFFECTIVE: 1-1-04 - 12-31-04

1. LABOR RATES: The following are sell rates and include wages, payroll taxes, insurance, overhead and profit.

The following rates are based on MERIT SHOP wages. If Federal and/or State Prevailing Wage Law governs then these rates may not be applicable.

	<u>STRAIGHT TIME</u>	<u>SUBSISTENCE</u>	<u>*OVERTIME</u>
GENERAL SUPT.	\$66.88	(1)	\$93.67
GEN FOREMAN	\$46.65	(2)	\$67.32
Foreman	\$43.59	(2)	\$62.72
CERT WELDER	\$33.67	(3)	\$50.51
MECHANIC	\$33.67	(3)	\$50.51
APPRENTICE	\$27.55	(3)	\$41.33
HELPER	\$24.49	(3)	\$36.74
LABORER	\$18.37		\$27.55
FIELD CLERK	\$42.06	(2)	\$60.43

NOTES: (1) - Plus subsistence of \$85.00 /day When paid to
(2) - Plus subsistence of \$80.00 /day the employee
(3) - Plus subsistence of \$75.00 /day

* Overtime shall be paid for all work over eight (8) hours per day plus all hours worked on Saturday, Sunday and Holidays. Holidays include New Years Day, Memorial Day, 4th of July, Labor Day, Thanksgiving (2) days and Christmas (2) days. On Holidays Superintendents shall be paid eight (8) hours straight time plus the pay for the actual schedule worked.

2. CAPITAL TOOLS AND EQUIPMENT: These are defined as those having an original cost of \$1000 or greater. These tools and equipment will be billed at actual invoiced cost plus freight and taxes plus 15%. The use of TEI's owned equipment will be billed per the attached Equipment Rental Rate Sheet.

3. SMALL TOOLS & CONSUMABLES: Billed at \$3.75 per manhour worked by all site personnel. Small tool costs include all charges for tools less than \$1000 in original cost on the project including hand tools and small tools.

4. FREIGHT: All freight and/or shipping costs will be billed at cost plus 15%.

5. MATERIALS: Billed at actual invoice cost including taxes(if applicable) and freight plus 15%.

6. SUBCONTRACTS: Billed at actual invoiced cost plus 15%.

7. TRAVEL TIME: Travel time for employees will be charged at regular straight time rates plus \$.20 per mile per worker once to and from the jobsite.

NOTE: Travel time and use of Company trucks does not apply if Time & Material work is carried out in conjunction with a project when workers are already on site and travel is not required.

TEI Construction Services, Inc.
7870 Schillinger Park West
Mobile, AL 36608

Tel: (251) 633-4181
Fax: (251) 633-4158
Web: www.teiservices.com

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PART D - DIVISION D1**CONTRACT DOCUMENTS DESCRIPTION**

1. The Contract Agreement, together with the Documents listed in Article III thereof, the reference Specifications, any other Documents listed below, and such of Contractor's Proposal Documents as are expressly agreed to by IPSC shall constitute the Contract (the Contract). Said Documents are complementary and require complete and finished Work. Anything shown or required of Contractor in any one or more of said Documents shall be as binding as if contained in all of said Documents. Contractor shall not be allowed to take advantage of any error, discrepancy, omission, or ambiguity in any document, but shall immediately report to the President and Chief Operations Officer, in writing, any such matter discovered. The President and Chief Operations Officer will then decide or correct the same and the decision will be final.
2. Drawings: The following drawings are being provided for reference purposes only. The drawings should be considered preliminary. Dimensions on the drawings are not guaranteed by IPSC. Alstom Power Air Preheater Company will supply the corrected final drawings twelve (12) weeks prior to the Outages.

DRAWINGS	
Drawing Number	Drawing Name
62.3401.05-10038	SAH General Arrangement
62.3401.05-10039	SAH General Arrangement Details
935428	Rotor Assembly
935435	Module Assembly
Alstom Sketch	Rotor Modifications
SK-010513	Basket Sealing Bar Installation
78077	Radial Seal Assembly
99297	EE-ZEE(TM) Bypass Seal Field Assembly
78075	Axial Seal Assembly

3. Drawings prepared by Contractor for this Project shall be submitted to IPSC for review prior to commencement of fabrication. The review shall not relieve the successful bidder of sole responsibility for the adequacy and correctness of the drawing and the other associated Work. All Project drawings shall be stamped by a registered professional engineer, licensed within the state of Utah.
4. Contractor Equipment Rental Rates and Time and Material Rates.

PART E - DIVISION E1

GENERAL CONDITIONS

1. **Definitions:** The following words shall have the following meanings:
 - a. **Bidder:** The person, firm, or corporation adopting and submitting a Proposal under these Specifications.
 - b. **Buyer:** The Purchasing Agent for IPSC.
 - c. **Contract Administrator:** The IPSC employee designated by the President and Chief Operations Officer with primary responsibility for administration of the Contract, or other representatives designated by the Contract Administrator acting within the limits of their authority.
 - d. **Contractor:** The person, firm, or corporation to whom the Contract is awarded.
 - e. **Directed, Required, Approved, etc.:** The words *directed, required, approved, permitted, ordered, designated, prescribed, instructed, acceptable, accepted, satisfactory*, or similar words shall refer to actions, expressions, and prerogatives of the Contract Administrator unless otherwise expressly stated.
 - f. **Gallon:** Liquid volume of 231 cubic inches at 60 degrees Fahrenheit.
 - g. **IGS:** Intermountain Generating Station located at 850 West Brush Wellman Road, Delta, Utah 84624.
 - h. **IPA:** Intermountain Power Agency, the owner of Intermountain Power Project, and a political subdivision of the state of Utah, organized and existing under the Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended.
 - i. **IPP:** Intermountain Power Project, consisting of Intermountain Generating Station, Intermountain Railcar, Intermountain Converter Station, Adelanto Converter Station, Intermountain AC Switchyard and associated transmission lines, microwave stations, and support facilities.
 - j. **IPSC:** Intermountain Power Service Corporation, a nonprofit corporation, furnishing personnel to support the Operating Agent in the performance of operation and maintenance.
 - k. **Operating Agent, or LADWP:** The City of Los Angeles Department of Water and Power which is responsible for operation and maintenance for IPA.

DIVISION E1

GENERAL CONDITIONS

- l. President and Chief Operations Officer: The President and Chief Operations Officer of IPSC, or other representatives designated by the President and Chief Operations Officer acting within the limits of their authority.
 - m. Reference Specifications: Those bulletins, standards, rules, methods of analysis or tests, codes, and specifications of other agencies, engineering societies, or industrial associations referred to in these Specifications. These refer to the latest edition, including amendments published and in effect at the date of the Invitation for Proposal, unless specifically referred to by edition, volume, or date. Unless the context otherwise requires, Reference Specifications also include all amendments published or adopted after the date of the Invitation for Proposal.
 - n. Subcontractor: A person, firm, or corporation, other than Contractor and employees thereof, who supplies labor, services or materials for a portion of the Work to be performed by Contractor under the Contract.
 - o. Ton: The short ton of 2,000 pounds.
 - p. Work: The services, materials, equipment, and other performance identified in these Specifications and other Contract Documents to be provided by Contractor.
- 2. Materials and Work: All Work shall comply with these Specifications. All materials used or supplied, and all equipment furnished, shall be new and unused, but this requirement shall not preclude the use of recycled materials in the manufacturing processes. All Work shall be done by qualified workers in a thorough and workmanlike manner that would pass without objection in both Contractor's trade and IPA's and IPSC's industry. Materials, equipment, workmanship, and other Work not definitely specified, but incidental to and necessary for the Work, shall conform to the best commercial practice for the type of Work in question and be of a quality that passes without objection in Contractor's trade and IPA's and IPSC's industry.
- 3. Nondiscrimination: The applicable provisions of Executive Order No. 11246 of September 24, 1965, and Bureau of Land Management regulations, and all other applicable governmental regulations pertaining to nondiscrimination in employment in the performance of contracts, are incorporated herein by reference, and made a part hereof as if they were fully set forth herein. During the performance of the Contract, Contractor shall not discriminate in its employment practices against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, age, or physical disability. All subcontracts awarded under or pursuant to the Contract shall contain a like nondiscrimination provision.

DIVISION E1

GENERAL CONDITIONS

4. **Governing Law; Venue:** The Contract shall be governed by the substantive laws of the state of Utah, regardless of any rules on conflicts of laws or choice of law that would otherwise cause a court to apply the laws of any other state or jurisdiction. Any action, in law or in equity, concerning any alleged breach of or interpretation of the Contract, or concerning any tort in relation to the Contract or incidental to performance under the Contract, shall be filed only in the state or federal courts located in the state of Utah.
5. **Patents and Intellectual Property:** Contractor shall fully indemnify and, at the election of IPA, defend IPA, IPSC, and the Operating Agent against any and all liability, whatsoever, by reason of any alleged infringement of any intellectual property rights (including, but not limited to, patents, copyrights, trademarks, or trade secrets) on any article, process, method, or application used in any designs, plans, drawings, or specifications provided under the Contract, or by reason of Contractor's manner of performance under the Contract, or by reason of use by IPA, IPSC, or the Operating Agent of any article, process, or material specified by Contractor.

All drawings, specifications, calculations, models, data, and other engineering documents (collectively "Drawings") shall be delivered to and be the property of IPSC. IPSC shall be entitled to use the Drawings and the information contained therein for the construction, operation, maintenance, repair, alteration, improvement, and expansion of IPP facilities. This indemnification shall not apply to designs or materials furnished to Contractor by IPSC.

6. **Contractor's Address and Legal Service:** The address given in the Proposal shall be considered the legal address of Contractor and shall be changed only by advance written notice to IPSC. Contractor shall supply an address to which certified mail can be delivered. The delivery of any written communication to Contractor personally, or delivery to such address, or the depositing in the United States Mail, registered or certified with postage prepaid addressed to Contractor at such address, shall constitute a legal service thereof.
7. **Assignment of Contract Prohibited:** Contractor shall not assign or otherwise attempt to dispose of the Contract, or any rights hereunder, or of any monies due or to become due hereunder, unless authorized by the prior written consent of the President and Chief Operations Officer. The Contract, and Contractor's rights hereunder (including rights of collection) are nonassignable without the President and Chief Operations Officer's prior written consent. No right or claim can be asserted against IPA, IPSC, or the Operating Agent, in law or equity, by any person, by reason of any assignment or disposition unless so authorized.

If Contractor, without such prior written consent, purports to assign or dispose of the Contract, or any right or interest hereunder, IPSC may at its option terminate the Contract. Such termination shall relieve and discharge IPA, IPSC, and the Operating Agent from any and all liability, duties, and obligations to Contractor, and to any assignee or transferee thereof.

DIVISION E1

GENERAL CONDITIONS

8. Quality Assurance/Quality Control: IPSC has the right to subject any or all materials, services, equipment, or other Work furnished and delivered under the Contract to rigorous inspection and testing. (Unless otherwise specifically provided in the Contract with respect to specific materials, services, equipment, or other Work, IPSC has no duty to inspect, test, or specifically accept.) Before offering any material, services, equipment, or other Work for inspection, testing, delivery, or acceptance, Contractor shall eliminate all items or portions which are defective or do not meet the requirements of these Specifications. If any items or portions are found not to meet the requirements of these Specifications, the lot, or any faulty portion thereof, may be rejected. Only the Contract Administrator may accept any material, service, equipment, or other Work as complying with these Specifications on behalf of IPSC.

IPSC may inspect and reject materials, services, equipment, or other Work tendered or purchased under the Contract at any reasonable location IPSC may choose (including, but not limited to, points of origin, while in transit to IPSC, IPSC specified receiving points, IPSC storage sites, or any point of use or installation). Inspection can include any testing that IPSC deems necessary or convenient to determine compliance with these Specifications. The expense of any initial tests will be borne by IPSC. All expenses of subsequent or additional tests will be charged against Contractor when due to failure of first-offered materials, services, equipment, or other Work to comply with these Specifications.

The fact that the materials, services, equipment, or other Work have or have not been inspected, tested, or accepted by IPSC, whether voluntarily or as required by any specific provision in the Contract, shall not relieve Contractor of responsibility in case of later discovery of nonconformity, flaws, or defects, whether patent or latent.

9. Additional Quality Assurance/Quality Control: The following additional Quality Assurance/Quality Control shall also apply:
- a. IPSC reserves full access rights for Quality Assurance inspections of ongoing Work.
 - b. Contractor shall provide, within the proposed Installation Plan, a Quality Control Plan, identifying the procedures and acceptance criteria to govern the Work.
 - c. Contractor shall submit certified weld procedures and welder qualification records for each welder employed to Contract Administrator prior to beginning the Work.
 - d. A substandard weld shall be defined as any weld declared substandard in the opinion of Contract Administrator or designee. The American Welding Standard (AWS) codes will form the basis of the acceptability determination.

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- e. Completed welds shall meet the specifications of the applicable section of the AWS Code including the AWS requirements for undercut, cavities, depressions, cracks, surface porosity, weld craters, overlaps, and abrupt ridges.

10. Extra Work, Reduced Work, and Change Orders by IPSC: IPSC reserves the right at any time before final acceptance of the entire Work to order Contractor to furnish or perform extra Work, or to make changes altering, adding to, or deducting from the Work, without invalidating the Contract. Changes shall not be binding upon either IPSC or Contractor unless made in writing in accordance with this Article.

Changes will originate with the President and Chief Operations Officer who will transmit to Contractor a written request for a Proposal covering the requested change, setting forth the changed Work in detail, and including any required supplemental plans or specifications. Upon receipt of such request, Contractor shall promptly submit in writing to the President and Chief Operations Officer a Proposal offering to perform such change, a request for any required extension of time caused by such change, and an itemized statement of the cost or credit for the proposed change. Failure of Contractor to include a request for extension of time in the Proposal shall constitute conclusive evidence that such extra Work or revisions will entail no delay and that no extension of time will be required.

If Contractor's Proposal is accepted by IPSC, a written change order will be issued by the President and Chief Operations Officer stating that the extra Work or change is authorized and granting any required adjustments of the Contract price and of time of completion. If Contractor's Proposal is rejected by IPSC, then IPSC may order the additional or changed Work from other vendors.

Additional Work or changes pursuant to the change order shall be performed in accordance with the terms and conditions of these Specifications. No extra Work shall be performed or change made unless pursuant to such written change order, and no claim for an addition to the Contract price shall be valid unless so ordered.

Notwithstanding anything in the preceding paragraphs to this Article, IPSC may issue a written order reducing the Scope of Work without issuing a request for Proposal. Any such reduction in the Scope of Work shall be effective upon issuance. Reductions ordered by IPSC shall constitute partial terminations and shall reduce the price to be paid.

11. Changes at Request of Contractor: Changes may be made to facilitate the Work of Contractor. Such changes may only be made without additional cost to IPSC, without extension of time, and pursuant to written permission from the President and Chief Operations Officer. Permission for such changes shall be requested in writing by Contractor to the President and Chief Operations Officer.

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GENERAL CONDITIONS

12. Time is of Importance and Extensions of Time: Time is of importance to the Contract. Delivery and other performance of Work must be completed within the times and by the dates specified. Time for delivery or other performance of Work shall not be extended except as provided in this Article. Without limiting the foregoing, all Work whose performance requires the generating unit to be off-line must be completed during the outage as finally scheduled by IPSC.

If Contractor makes a timely written request in accordance with this Article, the time for delivery or other performance of Work will be extended by a period of time equivalent to any delay in the whole Work which is: (a) authorized in writing by the President and Chief Operations Officer; (b) caused solely by IPSC; or (c) due to unforeseeable causes (such as war, strikes, labor disputes or shortages, or natural disasters) and which delay is beyond the control and without the fault or negligence of Contractor and subcontractors.

Contractor shall promptly notify the President and Chief Operations Officer in writing at both the beginning and ending of any delay, of its cause, its effect on the whole Work, and the extension of time claimed. Failure of Contractor to provide such written notices and to show such facts shall constitute conclusive evidence that no excusable delay has occurred and that no extension of time is required.

Notwithstanding the above, if Contractor is delayed in the progress of the Work due to wrongful acts or neglect of IPSC or others under IPSC's control, and if such delay cannot be compensated by an extension of time, then the Contract price will be subject to equitable adjustment.

The President and Chief Operations Officer will ascertain the facts and the extent of the delay and will extend the time for delivery when the findings of fact justify such an extension. The President and Chief Operations Officer's determination will be final and conclusive.

IPSC will be responsible for granting extensions of time as herein provided, but will not otherwise be responsible in any manner or liable to any extent for damage directly or indirectly suffered by Contractor as a result of any delay.

13. Protests and Claims: If Contractor considers any demand of the President and Chief Operations Officer to be outside of the requirements of the Contract, or considers any amount of payment, or any record, ruling, or other act, omission, or determination by the President and Chief Operations Officer to be unreasonable, Contractor shall promptly deliver to the President and Chief Operations Officer a written statement of the protest and of the amount of compensation or nature of accommodation, if any, claimed.

Upon written request by the President and Chief Operations Officer, Contractor shall provide access to all records containing any evidence relating to the protest or claim.

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Upon review of the protest, claim, and evidence, the President and Chief Operations Officer will promptly advise Contractor in writing of the final decision which will be binding on all parties.

The requirements of this Article shall be in addition to, and shall not be construed as waiving claims provisions of the Statutes of the state of Utah. Contractor is deemed to have waived and does waive all claims for extensions of time and for compensation in addition to the Contract price except for protests and claims made and determined in accordance with this Article.

14. Limitation of Liability; Responsible Party: It is understood and agreed that IPA shall be the sole party or person liable to Contractor for payments under or pursuant to the Contract, and for any breaches, defaults, or for any torts in the performance of or in relation to the Contract by IPA, IPSC, or the Operating Agent, or any officers, agents, or employees thereof. Contractor hereby expressly covenants and agrees that no suit shall be brought by Contractor against IPSC, or the Operating Agent, or their, or IPA's officers, agents, or employees, or any of the purchasers of power from IPA, but that all rights or remedies that Contractor may have or that may arise under or in relation to the Contract shall be asserted by Contractor solely against IPA. Without limiting the foregoing provisions of this Article, Contractor shall have no right against any of the foregoing (including IPA) to assert or recover, in contract or in tort, damages or losses in the nature of consequential damages, incidental damages, or punitive or exemplary damages.

The liability of Contractor and its employees, subcontractors, and suppliers on all claims of any kind (excluding property damage to the extent of proceeds from the insurance specified in the Contract, and excluding death or bodily injury) whether based on contract, indemnity, warranty, tort (including negligence), strict liability or otherwise, for all losses or damages arising out of, connected with, or resulting from this Contract Agreement, or from the performance or breach thereof, or from any extension or expansion thereof (including remedial warranty efforts), shall not exceed the Contract price. In no event shall Contractor, its subcontractors, suppliers, and employees be liable to IPSC for any special, indirect, incidental, exemplary, or consequential damages under any cause or form of action whatsoever. This provision shall prevail over any conflicting or inconsistent provision or portion of the Contract.

15. Independent Contractor: Contractor shall perform all Work as an independent contractor in the pursuit of its independent calling. Contractor is not an employee, agent, joint venturer, partner, or other representative of IPA, IPSC, or the Operating Agent and shall be under the control of IPSC only to provide the Work requested and not as to the means or manner by which the Work is to be accomplished. Contractor has no authority to act for, bind, or legally commit IPA, IPSC, or the Operating Agent in any way.

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16. **Drug Policy:** Contractor shall submit a current copy of its drug policy for review. IPP facilities are a drug free and zero tolerance workplace. Contractor's employees and its subcontractors' employees, who are to perform Work or otherwise be at the IPP facilities, shall participate in a drug testing program prior to arrival, and at any additional time(s) during the Contract as IPSC may request.
17. **Security and Safety Compliance:** Contractor and its employees, agents, representatives, and/or subcontractors, while performing Work on IPP premises, or who are otherwise on IPP premises, shall fully comply with all security, fire prevention, and safety rules and procedures in force at IPP. IPSC has the right (but not duty) to make periodic and random inspections of the persons, and of their respective property, upon entering, at any time while on, and when departing any IPP facility. Such persons subject to inspection include Contractor, any subcontractor, and their respective employees, agents, and representatives. Property subject to inspection includes, but is not limited to, vehicles, clothing, toolboxes, lunch boxes, any other carrying case, tools or equipment, and anything contained therein. If violations are noted, the violations will be reported to Contractor's on-site supervisor and the Contract Administrator for appropriate action.

All Contractor's employees will be given security identification badges by IPSC and those badges shall be displayed each day to allow admittance on IPP premises. Contractor's employees who do not have security identification badges in their possession, will not be allowed on site unless signed in by the Contract Administrator. All security identification badges shall be returned to the Security Contractor when the employee terminates their work at this site. All Contractor's vehicles will also receive parking stickers from the Security Contractor allowing entrance on IPP premises. Temporary badges and parking stickers are available for intermittent Contractor employees and vehicles.

Contractor shall have access to IPP premises between the hours of 7:00 am to 7:00 pm Monday through Friday. Access may be allowed on weekends or at other times with the approval of the Contract Administrator.

Contractor shall be directed to specified areas for parking vehicles and equipment by the Contract Administrator. Certain areas of IPP premises are restricted to IPSC vehicles only. Exceptions to the parking restriction will be made on an as needed basis through Contractor's respective Contract Administrator. Contractor shall make its employees, agents, representatives, and/or subcontractors aware of all areas that are subject to restricted parking.

Contractor agrees, warrants, and represents that: (a) it is familiar with the risks of injury associated with the Work and otherwise being on IPP premises; (b) has reviewed the Work to be performed; (c) has inspected the IPP Work site with an IPSC representative; and (d) has determined that no unusual or peculiar risk of harm exists with regard to the Work to be performed on IPP premises. Contractor further agrees that it shall, at all

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times, provide on IPP premises, a competent supervisor(s) familiar with IPSC's and the industry's safety standards to ensure compliance with all federal, state, and local regulations pertaining to safety (including, but not limited to, Federal and State OSHA, as said regulations relate to the Work to be performed under the Contract). Although IPSC assumes no responsibility to oversee or supervise the Work, IPSC reserves the right to review safety programs and practices and to make recommendations to Contractor. No such review or recommendation by IPSC shall impose any liability or responsibility on IPSC, or relieve Contractor from providing a safe working environment and complying with all legal requirements.

Contractor shall comply with IPSC's safety and equipment requirements prior to starting the Work. Worker protective clothing, which includes, but is not limited to, hardhats, safety glasses, safety shoes, gloves, respirators, earplugs, safety harnesses, and face shields shall be provided by Contractor.

Prior to starting the Work, all of Contractor's personnel shall attend a safety orientation taught by a representative of IPSC. At Contractor's option and subject to IPSC approval, a supervisor of Contractor may attend the orientation taught by IPSC, and then present the orientation to the remainder of Contractor's personnel. In that case, a roll shall be provided to IPSC which lists each person who received the orientation and the date it was received.

IPA will have the right to let other contracts in connection with the Work or other persons' work and Contractor shall afford other contractors reasonable opportunity for the execution of other persons' work and shall properly connect and coordinate its work and other persons' work.

Contractor shall be liable for any damage that it, its clients, or employees may cause to any other contractor and shall indemnify and defend IPA, IPSC, Operating Agent and their respective directors, officers, employees and agents as provided in Division F1, Special Conditions, Article 8, Indemnity Clause.

18. Additional Safety Requirements: Contractor shall be responsible to provide and manage an acceptable safety program, including, but not limited to, the following:
- a. A full-time Safety Representative who shall act as the point of contact for all safety-related issues, conduct tailgate safety meetings prior to each shift, and additional duties as assigned.
 - b. Copies of written safety policies or plans to the Contract Administrator one (1) month prior to beginning the Work, including, but not limited to, Respiratory Protection, Confined Spaces, and Hazard Communication.

DIVISION E1

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- c. Prior to flame cutting or welding in any location, Contractor shall first obtain a Hot Work Permit. The Hot Work Permit will be coordinated by the Contract Administrator or designee. The Hot Work Permit lists mandatory safety precautions which shall be taken before, during, and after hot work.
- d. Contractor shall ensure that its employees perform the Work in accordance with all applicable federal, state, and local safety and health regulations. IPSC's Safety Section personnel will periodically monitor the job site. If violations are noted, violations will be reported to the Contractor's on-site supervisor and the Contract Administrator for appropriate action.
- e. Contractor shall provide appropriate personal protective equipment to its employees to protect against hazards as they are identified. The following table lists anticipated safety hazards and personal protective equipment needed in the Contract Work area. This list must not be considered a complete list of all potential hazards:

SAFETY HAZARDS AND SAFETY EQUIPMENT REQUIRED	
Hazard	Safety Equipment Required
Hazardous Noise	Earplugs and/or Earmuffs
Toxic Fumes and/or Vapors from Welding, Grinding, or Solvent-Type Cleaning	Preparing for Proper Working Atmosphere in and Around Boiler Requires Specific Preparation by Contractor
Head Injuries from Falling Material or Bumps	Hardhats
Burns from Welding and Cutting	Gloves, Long-Sleeve Shirts, and Welding Leathers
Foot Injuries from Dropped Tools or Equipment	Steel-Toed Boots
Eye and Face Injuries	Safety Glasses and Face Shields

19. **Nonexclusive:** This is a nonexclusive Contract. IPSC reserves the right to obtain services, materials, equipment, or other Work from other vendors or suppliers.

PART E - DIVISION E2

ADDITIONAL GENERAL CONDITIONS

1. **Guarantee:** Contractor guarantees and warrants for a minimum period of one (1) year after delivery that all materials, services, equipment, and other Work furnished are free from defects and otherwise conform to the terms of the Contract, including, but not limited to, the Article entitled "Materials and Work" in Part E, Division E1, General Conditions.

Contractor shall repair or replace, as IPSC may direct, all defective materials, services, equipment, or other Work. Such repair or replacement shall be F.O.B. at such destination as IPSC may direct (contract delivery point, point of installation, point of consumption, etc.).

The above shall be the Contractor's sole liability and IPSC's exclusive remedy for breach of said warranty. CONTRACTOR MAKES NO OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED. THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES INCLUDING THE WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Contractor shall, for the protection and benefit of IPA, IPSC, and LADWP, obtain guarantees conforming to the foregoing two (2) paragraphs from each of its vendors and subcontractors with respect to their materials, services, equipment, or other portion of the Work. Such guarantees from vendors and subcontractors shall be in addition to, and not in lieu of, Contractor's own guarantees.

2. **Payment:** Payment will be made within thirty (30) calendar days after delivery and receipt of the invoice in the form directed by IPSC.
3. **Work Slips and Invoices:** Invoices shall be submitted in duplicate to Accounts Payable, Intermountain Power Service Corporation, 850 West Brush Wellman Road, Delta, Utah 84624-9546. All letters pertaining to invoices shall be addressed to the foregoing address.

IPSC may direct the form of invoice to be used. All invoices shall show the Contract number, release number, or other identification of each delivery covered by the invoice. In all cases, the amount of the applicable sales tax or use tax shall be separately stated on the invoice.

4. **Regulations, Permits, Licenses, and Warrants:** Contractor shall comply with all applicable federal, state, and local regulations including, but not limited to, Federal and State OSHA, as said regulations relate to the Contract, Contractor's performance, or Contractor's trade. In addition, Contractor shall ensure that all permits, licenses, and warrants relating to the Contract, Contractor's performance, and Contractor's trade be acquired.

DIVISION E2

ADDITIONAL GENERAL CONDITIONS

5. Letters to IPSC: All inquiries relating to these Specifications prior to Award of Contract shall be addressed to the Buyer.

After Award of Contract, all letters pertaining to performance of the Contract (other than invoice) shall be addressed as follows:

Mr. George W. Cross
President and Chief Operations Officer
Intermountain Power Service Corporation
850 West Brush Wellman Road
Delta, UT 84624-9546

Attention: Bret Kent
Contract Administrator

Regarding: **Contract 04-45616**

PART F - DIVISION F1

DETAILED SPECIFICATIONS - SPECIAL CONDITIONS

1. **General:** Under the terms of the Contract and these Specifications containing technical information, Contractor shall provide **Manpower, Tools, and Consumable Material as required for Installation of Alstom Power Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets** up to a total of four (4) Secondary Air Preheaters ordered by IPSC during Unit 1 and Unit 2 outages, beginning with date stated in the first introductory paragraph of the Contract Agreement and continuing for twelve (12) months thereafter (hereinafter called the Contractual Period).
Note: Hardware to be installed will be supplied by different sources.
2. **Overall Schedule:** The overall planned Scope of Work for modifications to the Secondary Air Preheaters for Unit 2 shall begin on February 28, 2004. The same Scope of Work for Unit 1 shall begin on March 5, 2005. Each outage will last for the duration of twenty-eight (28) days. Contractor shall arrive on site to allow sufficient time for mobilization and staging activities prior to each outage. Contractor's Work Completed Date for Unit 2 shall be March 26, 2004. Contractor's Work Completed Date for Unit 1 shall be April 1, 2005.
3. **Liquidated Damages:** Contractor shall be liable for the following liquidated damages for substandard performance, in delivery and installation, in accordance with the following provisions:
 - a. If Contractor is not prepared to proceed with the approved Installation Plan at the start of each respective outage, Contractor shall pay all costs associated with mobilization and demobilization incurred by Contractor and Contractor shall be liable for liquidated damages in the amount of \$10,000.
 - b. For each day, at the start of each respective outage, that Contractor is unprepared to execute the approved Installation Plan, Contractor shall be assessed liquidated damages of \$10,000, up to a maximum of five (5) days or \$50,000.
 - c. For each day or portion thereof, that Contractor exceeds the respective Contractor's Work Completed Date, Contractor shall be liable for liquidated damages in the amount of \$10,000. The maximum liquidated damages under this subparagraph for extending a single unit outage shall be five (5) days or \$50,000 per unit.
 - d. Contractor shall be allowed to avoid one (1) day of liquidated damages associated with exceeding the Contractor's Work Completed Date, should such occur, if all materials and equipment under Contractor's control are staged at IPP premises in accordance with the approved Installation Plan, and t-bars and rotor angles for Unit 2 are on IPP premises by March 8, 2004 at 7:00 A.M. Mountain Standard Time as defined in Division F2, Article 3, subarticle h.

DIVISION F1

DETAILED SPECIFICATIONS - SPECIAL CONDITIONS

- e. IPA may deduct the foregoing liquidated damages from any amounts due Contractor, or IPSC may invoice Contractor for the applicable liquidated damages amounts. The liquidated damages stated in subparagraphs (a) through (d) above are cumulative.
 - f. Contractor's liability for liquidated damages will in no event exceed in the aggregate a total of 10 percent of the total Contract price. Liquidated damages shall not be assessed unless IPSC provides written notice of intent to commence liquidated damages. Payment of liquidated damages shall be the sole and exclusive remedy for identified unexcused delay, or identified unexcused performance shortfall, as the case may be. It is understood that no liquidated damages shall be assessed for delays in delivery or completion which do not affect the 'Approved Installation Schedule' milestones or operation and that the liquidated damages will be applicable only if Contractor's unexcused delay is the sole cause of delay in the completion of the Work.
4. Typical IPP Premises Weather Conditions: The average daily temperature for the IPP premises is 90°F in summer and 45°F in winter. During winter it is common for the temperature to stay below 10°F for up to two (2) weeks. Winter snow is a common occurrence and can stay on the ground for extended periods. The air preheaters are located indoors; however, are open to ambient conditions during the outages. Contractor shall come prepared for temperature extremes.
5. Printed Documents: All printed documents, including drawings and instruction books, if applicable, shall be in the English language. All units of measurement shall be in the English foot-pound-second system.
6. Delivery Arrangements: After award of the Contract and prior to delivery or other performance of any Work, Contractor shall become familiar with the unloading facilities at the delivery point(s) set forth in the Proposal Schedule, either by personal inspection or by contacting the Contract Administrator, Bret Kent, (435) 864-6447.
7. Option to Renew: IPSC has the right and option at any time during the original term of the Contract to renew the Contract for a period of one (1) year from the start date as stated in the first introductory paragraph of the Contract Agreement and continuing for a period of twelve (12) months after said date.
- In the event that said option is exercised by IPSC, it will be exercised by the issuance and delivery to Contractor of a written order therefor by the Buyer or his duly authorized representative. The Contract executed for the original Contract period shall remain in full force and effect for any such extended or option period, at the same prices and under the same terms and conditions for such extended or option period.
8. Indemnity Clause: Contractor undertakes and agrees to indemnify, hold harmless, and at the option of the IPA, defend IPA, IPSC, LADWP, and any and all of their boards,

DIVISION F1

DETAILED SPECIFICATIONS - SPECIAL CONDITIONS

officers, agents, representatives, employees, assigns, and successors in interest from and against any and all suits and causes of action, claims, charges, costs, damages, demands, expenses (including, but not limited to, reasonable attorneys' fees and cost of litigation), judgments, civil fines and penalties, liabilities or losses resulting from personal injury to any person, including Contractor's employees and agents, or damage to or destruction of property belonging to IPSC or to third parties arising from or incident to the negligence or willful misconduct of Contractor, or Contractor's officers, agents, employees, or subcontractors of any tier except as may be caused by the sole negligence of IPA, IPSC, LADWP, or their boards, officers, agents, representatives, or employees.

9. Insurance Requirements: Prior to the start of the Work, but not later than thirty (30) calendar days after date of Award of Contract, Contractor shall furnish IPSC evidence of coverage from insurers acceptable to IPSC and in a form acceptable to IPSC Insurance Analyst. Such insurance shall be maintained by Contractor and at Contractor's sole cost and expense.

Such insurance shall not limit or qualify the liabilities and obligations of Contractor assumed under the Contract. IPA, IPSC, or LADWP shall not, by reason of any of their inclusion under these policies or otherwise, incur liability to the insurance carrier for payment of the premium for these policies.

Any insurance carried by IPA, IPSC, or LADWP which may be applicable is and shall be deemed excess insurance, and Contractor's insurance is and shall be primary for all purposes despite any provision in Contractor's policies to the contrary.

Should any portion of the required insurance be on a "Claims Made" policy, Contractor shall, prior to the policy expiration date following completion of the Work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits and terms and conditions of the expiring policy at least for the Contract under which the Work was performed.

- a. Workers' Compensation/Employer's Liability: Workers' Compensation Insurance covering all of Contractor's employees in accordance with the laws of all states in which the Work is to be performed and including Employer's Liability Insurance, and as appropriate, Broad Form All States Endorsement, Voluntary Compensation, Longshoremen's and Harbor Workers' Compensation, Jones Act, and Outer-Continental Shelf coverages. The limit for Employer's Liability coverage shall be not less than \$1 million each accident and shall be a separate policy if not included with Workers' Compensation coverage. Evidence of such insurance shall be an endorsement to the policy providing for a thirty (30) calendar days prior written notice of cancellation or nonrenewal of a continuous policy to IPSC, by receipted delivery, and a Waiver of Subrogation in favor of IPA, IPSC, and LADWP, its officers, agents, and employees. Workers' Compensation/Employer's Liability exposure may be self-insured provided that

DIVISION F1

DETAILED SPECIFICATIONS - SPECIAL CONDITIONS

IPSC is furnished with a copy of the certificate issued by the state authorizing Contractor to self-insure. Contractor shall notify IPSC, by receipted delivery, as soon as possible of the state withdrawing authority to self-insure.

- b. **Commercial General Liability:** Commercial General Liability with Blanket Contractual Liability, Products and Completed Operations, Broad Form Property Damage, Premises and Operations, Independent Contractors, and Personal Injury coverages included. Such insurance shall provide coverage for total limits actually arranged by Contractor, but not less than \$2 million Combined Single Limit and be specific for the Contract. Should the policy have an aggregate limit, such aggregate limits should not be less than \$4 million. Umbrella or Excess Liability coverages may be used to supplement primary coverages to meet the required limits. Evidence of such coverages shall be on IPSC's Additional Insured Endorsement Form or on an endorsement of the policy acceptable to IPSC and provide for the following:

- (1) To include IPA, IPSC, LADWP, and their officers, agents, and employees as additional insured with the Named Insured for the activities and operations under and in connection with the Contract.
- (2) That the insurance is primary and not contributing with any other insurance maintained by IPA, IPSC, or LADWP.
- (3) That the policy shall not be subject to cancellation, change in coverage, reduction of limits or nonrenewal of a continuous policy, except after written notice to IPSC, by receipted delivery, no less than thirty (30) calendar days prior to the effective date thereof.
- (4) A description of the coverages included under the policy.

- c. **Commercial Automobile Liability:** Commercial Automobile Liability covering the use of owned, nonowned, hired, and leased vehicles for total limits actually arranged by Contractor, but not less than \$1 million Combined Single Limit. Such insurance shall include Contractual Liability coverage. The method of providing evidence of insurance and requirements for additional insureds, primary insurance, notice of cancellation, and Severability-of-Interest shall be the same as required in the Commercial General Liability Section of terms and conditions.

- d. **Other Conditions:**

- (1) Failure to maintain and provide acceptable evidence of any of the required insurance for the required period of coverage shall constitute a major breach of Contract, upon which IPSC may immediately terminate or suspend the Contract. In addition or in the alternative, IPSC has the

DIVISION F1

DETAILED SPECIFICATIONS - SPECIAL CONDITIONS

right (but not duty), to procure such insurance after providing Contractor reasonable opportunity to cure any defect in insurance coverage and: (a) to deduct the cost thereof from any monies due Contractor under the Contract or otherwise; and/or (b) to charge and collect the cost thereof from Contractor, payable upon demand. Such claim, deduction, or charge shall include an administrative fee of 2 percent of the cost of procuring said insurance. Said insurance may be procured and maintained in the name of Contractor, IPA, IPSC, LADWP, and/or any combination thereof, as primary and/or secondary insured, all as IPSC may from time to time elect.

- (2) Contractor shall be responsible for all subcontractors' compliance with these insurance requirements. The foregoing remedies in subsection (1) shall be available to IPSC against Contractor for any failure by any subcontractor to maintain and provide the required insurance.

10. Transportation: All shipments of hazardous materials under the Contract or in connection herewith shall be handled in accordance with current U.S. Department of Transportation regulations and all other applicable federal, state, and local laws and regulations.
11. Material Safety Data Sheets: Contractor shall furnish IPSC with a Material Safety Data Sheet (MSDS) for all hazardous materials furnished under the Contract, used, stored, or transported on or near IPP premises in connection with the Contract. The MSDS shall be furnished to IPSC on, or prior to, the date of the first delivery, use, storage, or transportation of the materials or equipment. If these Specifications require that Contractor furnish instruction books, the MSDS shall also be included in such books.
12. Contract Termination:
- a. For Convenience or Security: IPSC reserves the right, by giving twenty (20) calendar days prior written notice (or such longer notice as IPSC may select) to Contractor, to terminate the whole or any part of the Contract at IPSC's convenience, whether or not Contractor is in default. IPSC also reserves the right to terminate the Contract, effective immediately upon notice, for purposes of security or safety of IPP facilities, persons who work at IPP facilities, or the public. In the event of termination for convenience, security, or safety, IPA will pay Contractor reasonable and proper direct costs of termination (if, however, Contractor's Proposal includes cancellation charges, payment for termination costs shall not exceed the cancellation charges set forth therein). Contractor shall, after consultation with IPSC, take all reasonable steps to minimize the costs related to termination. Contractor shall provide IPSC with an accounting of costs claimed, including adequate supporting information and documentation and IPSC may, at its expense, audit the claimed costs and supporting information and documentation.

DIVISION F1

DETAILED SPECIFICATIONS - SPECIAL CONDITIONS

- b. For Breach: IPSC may, after providing Contractor a reasonable opportunity to initiate and diligently proceed with completing a cure, terminate the whole or any part of the Contract effective immediately upon notice, in the event Contractor is in material default, and without right on the part of Contractor to claim any termination costs. This right to terminate is in addition to, and not in lieu of, any other remedy provided in the Contract or otherwise provided by law or equity.
 - c. Limitation of Liability: In no event shall termination of this Contract, or any portion thereof, whether for convenience, security, safety, breach, or otherwise, constitute the basis for or result in any claim by Contractor for consequential or incidental damages (including loss of anticipated profits or other economic damages) or punitive damages, and Contractor hereby releases IPA, IPSC, and LADWP, and their officers, directors, employees, agents, and representatives, from any and all such claims or liability.
13. Suspension of Work: IPSC reserves the right to suspend and reinstate execution of the whole or any part of the Contract and the Work without invalidating the provisions of the Contract. In the event the Work is suspended, Contractor will be reimbursed for actual direct unavoidable costs that it reasonably incurs as a result of the suspension. Claims for such cost reimbursement shall be submitted by invoice. Contractor shall use all reasonable means to minimize such costs, and shall allow IPSC to audit costs claimed. Contractor shall, upon request by IPSC, provide a projection of costs it anticipates to incur during any suspension, or continuation of suspension, contemplated by IPSC. In no event shall suspension constitute the basis for, or result in, any claim for consequential or incidental damages (including loss of anticipated profits or other economic damages) or punitive damages, and Contractor hereby releases IPA, IPSC, and LADWP, and their officers, directors, employees, agents, and representatives, from any and all such claims or liability.
14. No Waiver: No breach, noncompliance, or other failure to perform (collectively "breach") by Contractor, or any subcontractor, or of any Work shall be deemed waived unless expressly waived in writing by the President and Chief Operations Officer. No waiver by IPSC of any one breach shall be deemed to waive any other prior, concurrent, or subsequent breach. No exercise, or failure to exercise, or delay in exercising any particular remedy by IPSC shall be deemed a waiver or preclude IPSC from subsequently invoking that remedy for that breach or any other breach. All remedies granted to IPSC in the Contract, or by law or equity, are cumulative and may be exercised in any combination or order.

PART F - DIVISION F2**DETAILED SPECIFICATIONS - DETAILED REQUIREMENTS**

1. **General:** A primary focus of the Contract shall be the optimization of the Work to occur during the Unit off-line hours. Detailed planning of the Contract Scope of Work shall include a level of redundancy in manpower, tools, and consumable material to ensure that guaranteed schedules are achieved.
2. **Unit Description:** IPSC consists of two (2) sister units each operating two (2) 33-1/2-VI-64 parallel Ljungstrom/CE Secondary Air Preheaters and two (2) 24-1/2-VI-44 parallel Ljungstrom/CE Primary Air Preheaters. The two (2) units have experienced several up-rates from the original full-load output of 840 MWg. The current full-load design rating of both units is 950 MWg. Plant site elevation is 4,700 feet above sea level.

Only the Secondary Air Preheaters will be modified with these Specifications.

The existing Secondary Air Preheaters consist of a three (3) layer design as follows:

EXISTING SECONDARY AIR PREHEATERS DESIGN	
Hot-End Layer:	#22 Gauge, 'DL', 36" Depth, Low Alloy/CR
Hot-Intermediate Layer:	#22 Gauge, 'DL', 16" Depth, Low Alloy/CR
Cold-End Layer:	#18 Gauge, 'NF-6', 12" Depth, Low Alloy/CR

The existing drive train consists of a General Electric, 75 horsepower, frame 365-T motor coupled to a Philadelphia Gear 10 AP - 132:1.1 speed reducer. The fluid coupling provided and installed as original equipment at the motor/speed reducer interface is no longer in service. The motors are connected to the speed reducer with conventional spider couplings. The speed reducers have been retrofitted since original installation with pump driven, oil cooler assemblies.

The support bearing consists of a Kingsbury, series 1450 thrust bearing and a SKF No. 23244 CJ/C3/W33 radial bearing. The guide bearing consists of a SKF No. 23192 radial bearing. The guide bearing lubrication circuits have also been modified for enhanced oil cooling.

3. **Contractor's Scope of Work:** This Article defines the hardware to be installed and Work to be completed by Contractor within these Specifications. The Contractor's Scope of Work shall include installation of Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets as follows:
 - a. Cold-end stay plate extensions with basket support bars. Total of one hundred forty-four (144) extensions per air preheater rotor.

DIVISION F2

DETAILED SPECIFICATIONS - DETAILED REQUIREMENTS

- b. Basket sealing frames. Total of one hundred sixty-eight (168) frames per air preheater.
- c. Cold-end basketed heating elements, with type DL7™ 20 gauge low alloy steel with liners. Total of three hundred thirty-six (336) baskets per layer/air preheater.
- d. Hot-end basketed heating elements, with type DL7™ 22 gauge low alloy steel with liners. Total of three hundred thirty-six (336) baskets per layer/air preheater.
- e. Complete set of radial, Ee-Zee™ bypass, axial, and post seals with holding strips and fasteners.
- f. Hot and cold-end seal clearance gauges for installation into the sector plates. Gauges to be located at the sector plate mid-span and outer tip on the hot-end sector plates and the outer tip only on the cold-end sector plates on all four (4) Secondary Air Preheaters. Total of six (6) per air preheater.
- g. General repair and refurbishment of air preheater structure. This Work shall be performed on a Time and Material basis.
- h. Provide and install hot and cold-end floating t-bars and rotor angles with fasteners on a Time and Materials basis. For the Unit 2 Outage, the following shall apply:
 - (1) Verification that all manufacturing steps are completed, with exception of punching the mounting holes, is to be provided by February 28, 2004.
 - (2) T-bars and rotor angles shall be on IPP premises by March 8, 2004, at 7:00 A.M. Mountain Standard Time.
- i. Provide scaffold, access, and rigging as needed. All scaffold and access hardware shall be OSHA approved structures. IPA will be allowed access to scaffold and other access provisions in any areas required. This Work will be coordinated through the Contract Administrator or designee in a manner aimed at minimizing Contractor's schedule impacts.
- j. Approximately twelve (12) weeks prior to each scheduled outage, Contractor's on-site supervisor/superintendent shall travel to the plant site and participate in a finalization planning meeting for the installation outage.
- k. Contractor shall be responsible to maintain its work areas in an organized and safe manner throughout the execution of the Installation Plan. IPSC will retain the right to access and require correction of any areas or situations it deems as

DIVISION F2

DETAILED SPECIFICATIONS - DETAILED REQUIREMENTS

impacting ongoing operations and maintenance. Waste material produced during a shift shall be disposed of by the end of the following shift. At the conclusion of each outage, Contractor shall ensure that all work areas associated with the Contract are restored, replaced, and/or cleaned in a manner similar or better in appearance to that found prior to the outage.

- I. Contractor shall supply adequate resources for unloading and staging of materials twenty-eight (28) days and continuing through seven (7) days prior to the scheduled start date for the outage. For each outage, fifty-one (51) flatbed semitractor trailer trucks, each carrying seven (7) to eight (8) pallets will be required to be unloaded. Each pallet weighs six thousand (6,000) pounds and shall be unloaded in a hard-packed gravel staging area.

Note: Air Heaters will be turned over to Contractor in a "soot blown" clean state. IPSC will provide a guzzler truck and piping for use by Contractor should additional cleaning be required.

IPSC will arrange for salvage of the materials removed from the air heaters; however, Contractor shall be responsible for loading materials on trailers and in bins provided by the salvage contractor.

4. Field Service Engineer: IPSC will provide a Field Service Engineer. The Field Service Engineer will be contracted through the manufacturing agent, Alstom Power Air Preheater Company, providing the air preheater hardware. The Field Service Engineer shall provide the following services:
 - a. Technical direction to Contractor for disassembly, cleaning, inspection, repair, part replacement, reassembly, sector plate assembly, rotor alignment, balancing, etc., of the Secondary Air Preheater components.
 - b. Assist IPSC and Contractor with overhaul planning, schedule preparation, and schedule updating both before and during the installation outage. Approximately twelve (12) weeks prior to the outage, travel to the plant site and participate in a finalization planning meeting for the installation outage.
 - c. Be responsible for inspection and certification of hardware once received on site.
5. Schedules: Unit 2 Work is scheduled to begin February 28, 2004 and Unit 1 Work is scheduled to begin March 5, 2005. Each outage is scheduled for the duration of twenty-eight (28) days.
 - a. All bidders shall provide a *guaranteed* installation schedule as part of the proposed Installation Plan submitted with each bid package.

DIVISION F2

DETAILED SPECIFICATIONS - DETAILED REQUIREMENTS

- b. The proposed Installation Plan shall be developed to ensure completion of all Work required for normal operation of the air preheaters within a maximum of twenty-six (26) days.
 - c. Work not requiring the unit to be off-line, such as mobilization, staging, access provision work, demobilization, etc., shall be clearly identified on the proposed Installation Plan and can be coordinated outside the outage window with approval of the Contract Administrator.
 - d. IPSC can reschedule the start date of any outage(s). Such rescheduling shall not affect the terms of the Contract, except as expressly provided in the Contract. If the outage start date is rescheduled, then any other dates specified in the Contract in relation to the outage commencement shall be deemed correspondingly adjusted by the same number of days in relation to the new commencement date. The bidders shall provide a schedule of costs associated with an IPSC scheduled delay of the outage start date in one (1) week increments up to one (1) month. The schedule of costs shall be based on notification from IPSC one (1) month prior to the scheduled outage start dates and a second schedule of costs based on notification from IPSC one (1) week prior to the scheduled outage start dates. No incremental costs shall be allowed due to rescheduling of outage start dates if IPSC provides notice more than thirty (30) days in advance of the canceled start date.
 - e. Unless otherwise noted in these Specifications, IPSC's facilities and equipment will not be used in support of this Work. To prevent delays, caused by equipment breakdown, Contractor shall provide spare tools and equipment at the plant site in reasonable quantities in anticipation of equipment failures.
6. Installation: Each bidder shall prepare and provide with each bid package, a proposed Installation Plan showing Project progress on a daily basis beginning with initial equipment delivery and ending with work site clean up and exit.
- a. The proposed Installation Plan submitted with the bid package, shall be the basis for development of the approved Installation Plan becoming a part of the eventual Contract governing the Work. The approved Installation Plan shall be used as the basis for instituting mid-outage resource corrections and for calculating any liquidated damages associated with completion of the Scope of Work.

DIVISION F2

DETAILED SPECIFICATIONS - DETAILED REQUIREMENTS

- b. The proposed Installation Plan shall include detailed information regarding each task within the Contract Scope of Work, including, but not limited to:

TASKS
Equipment Mobilization
Equipment and Component Staging
Manpower Loading Throughout the Contract
Existing Equipment Removal
New Equipment Installation
Material Equipment Removal and Area Cleanup
Air Preheater Released to Operations - Guaranteed Date

- c. The proposed Installation Plan, to be included as part of the submitted bid, shall include estimates of all required on-site services, with clear identification of each request for service to be provided by IPSC. The estimates shall include power service requirements for running all electrical equipment and compressed air requirements. Authorization for connection to, and use of, requested power, compressed air, or other on-site services shall be coordinated and approved by the Contract Administrator.
- d. At least two (2) months prior to mobilization to the job site, the successful bidder shall provide a detailed material "Laydown Plan" for the estimated fifty-one (51) flatbed semitractor trailer loads of material. The Laydown Plan shall be used for coordination of area utilization and access. The Laydown Plan shall address staging and temporary storage requirements for all association materials and equipment in order to minimize interference with ongoing plant operations and outage work. The Laydown Plan shall be submitted to and approved by the Contract Administrator prior to receiving any Contract materials, equipment, or craft personnel on-site for the outage Work.
7. Available On-Site Services: Unless otherwise arranged in writing with the Contract Administrator, on-site services will be provided in accordance with Article 8, IPSC Provided Services, of this Division. Services not covered in Article 8 shall be provided by Contractor.

DIVISION F2

DETAILED SPECIFICATIONS - DETAILED REQUIREMENTS

8. IPSC Provided Services: IPSC will provide the following services:

IPSC PROVIDED SERVICES
<u>On-site Telephone and Fax Lines at a Specific, Office-Trailer-Ready Location, If Requested.</u> <i>Note: Contractor Shall Make its Own Arrangements for Off-Site and Long Distance Telephone Service. IPSC Will Not Provide Office or Administrative Space.</i>
<u>Portable Water, Compressed Air (Small Volume Only), and 460 and 120 Volt Electricity.</u> <i>Note: Connections to IPSC Electric or Water Systems Will Be Made Only by IPSC Employees Unless Approved Otherwise in Writing for Each Specific Location. Contractor Shall Identify All Service Connection Requirements with the Proposed Installation Plan.</i>
<u>General Fire Protection.</u> <i>Note: Provisions for Local Fire Extinguishing, Such as Weld Slag Induced Fires, Shall Be Provided by Contractor.</i>
<u>First Aid.</u> <i>Note: All Workplace Injuries Shall be Reported to IPSC's First Aid Clinic and the Contract Administrator.</i>
<u>Trash Collection Dumpsters.</u> <i>Note: IPSC Will Empty Dumpsters as Needed.</i>

9. Sanitary Requirements: Contractor shall provide enough sanitary facilities for its employees. Contractor's employees are prohibited from using the permanent restroom facilities on the IPP premises.
10. Cleaning of Work Site Premises: Contractor shall maintain a clean work area. Contractor shall clean the work site premises at least daily. This includes, but is not limited to, picking up trash, sweeping, washing the work area as necessary, straightening cords and hoses, organizing tools, equipment, and emptying trash barrels. Contractor shall at all times keep the work site premises free from accumulations of waste material or rubbish caused by employees. At the completion of the Work, Contractor shall remove from the work site premises all rubbish, implements, and surplus materials and shall leave the premises broom clean.
11. Staging Requirements: Equipment and material staging requirements shall be clearly detailed within the successful bidder's site Laydown Plan submitted to the Contract Administrator at least two (2) months prior to the outage start date. Actual placement of equipment and materials shall be coordinated with the Contract Administrator.

DIVISION F2

DETAILED SPECIFICATIONS - DETAILED REQUIREMENTS

12. Handling and Storage:

- a. Handling: Once IPSC-provided equipment, materials, and supplies have been received on site by the Field Service Engineer and all damage noted, the equipment, materials, and supplies shall be turned over to Contractor. At that time, Contractor shall be responsible for any damage to equipment, materials, and supplies until final acceptance of the Work.
- b. Storage: All equipment, materials, and supplies not immediately incorporated in the Work shall be placed in storage. Storage areas will be allocated and assigned by the Contract Administrator; however, will be in the general area of the Work. The storage areas shall be kept clean and orderly at all times. Contractor shall confine the storage of materials and the operations of its employees to limits indicated by the Contract Administrator, and shall not unreasonably encumber IPP premises with its materials. Before storing any equipment, materials, or supplies, Contractor shall obtain clearance from the Contract Administrator designating the location and space on IPP premises for such storage, and before moving or relocating any storage area, Contractor shall obtain similar clearance in writing from the Contract Administrator designating new or additional space on IPP premises.

Robert

Date:
Req./PA No: 194448
P.O. No: 04-45616
Vendor: 8149
Terms:
FOB:
Ship Via:
Conf. To:

Project No. IGS03-02

Qty	Unit	Noun Description Adjective Catalog # Seller or Manufacturer	Unit Cost	Extension
1	ea	Installation of Alstom Power Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets on a total of four (4) Secondary Air Heaters and other work as per IPSC Specifications XXXX 45616 2004 Outage 2005 Outage	\$1,100,000.00	\$1,100,000.00
				RECEIVED
				OCT 13 2003
				PURCHASING
		TOTAL ESTIMATED COST		1,086,480 \$1,100,000.00

Remarks: To be issued for bid to TEI, MEI, and ALSTOM Power

Delivery requested by (Date) 04/01/05 Originator Bret Kent
[Signature] 10-10-03 [Signature] 10/11/03 Bruce Hanney 11-20-03
 Dept. Mgr/Supt. Date Station Manager Date Operating Agent Date

IP7 021995

04 FEB 2004

04-45616

8149

194448

TEI CONSTRUCTION SERVICES INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608

* * * S H I P T O * * *
INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
DELTA , UT 84624-9546

251-633-4181 OR 864-879-6860

X BEST WAY

NET 30

DESTINATION F/A

1

1

NONE

1 EA

LINE 1

INSTALL ALSTOM POWER LJUNGSTROM AIR PREHEATER
CLEARFLOW ROTOR MODIFICATION HARDWARE AND
HEAT TRANSFER BASKETS ON FOUR (4) SECONDARY
AIR HEATERS

**PER SPECIFICATIONS 45616 &
CONTRACT 04-45616**

1SGX-502

1,086,480.00

1,086,480.00

03-96032-0

ATTENTION: CHARLES STEED

RCN/LF

**NOTE: THIS PURCHASE ORDER WAS CREATED
FOR ACCOUNTING & TRACKING
PURPOSES ONLY**

*****ATTENTION IPSC WAREHOUSE*****
THIS ORDER IS FOR A SERVICE AND
NO MATERIAL WILL BE RECEIVED

DATE REQUIRED 02/04/04

TOTAL COST 1,086,480.00

RALPH NEWBERRY 435-864-4414

REVIEWED BY GEORGE CROSS

IP7_021996



INTERMOUNTAIN POWER SERVICE CORP.
Delta, Utah 84624-9546 (435) 864-4414 - Purchasing FAX (435) 864-8678

VENDOR: TEI CONSTRUCTION SERVICES INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608

PURCHASE ORDER

04 FEB 2004

VENDOR MUST SHOW P.O. NUMBER ON ALL INVOICES, BILL OF LADING, CORRESPONDENCE, AND ON PACKING LISTS IN EACH CONTAINER, TO INSURE PROMPT PAYMENT. CHARGES FOR TRANSPORTATION MUST BE SUPPORTED BY COPY OF FREIGHT BILL.

PURCHASE ORDER NO.	VENDOR CODE	REQUISITION NO
04-45616	8149	194448

* * * S H I P T O * * *
INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
DELTA , UT 84624-9546

251-633-4181 OR 864-879-6860

CONFIRMING DO NOT DUPLICATE	NON CONFIRMING X	SHIP VIA BEST WAY	TERMS NET 30	FOB POINT DESTINATION F/A	PAGE OF 1 1	NONE
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INTERMOUNTAIN POWER SERVICE CORPORATION'S STANDARD TERMS AND CONDITIONS ARE INCLUDED AS PART OF THIS AGREEMENT

QUANTITY ORDERED	U M	IPSC PART NO.	DESCRIPTION	ACCOUNT NUMBER	UNIT PRICE	EXTENSION
1	EA		LINE 1 INSTALL ALSTOM POWER LJUNGSTROM AIR PREHEATER CLEARFLOW ROTOR MODIFICATION HARDWARE AND HEAT TRANSFER BASKETS ON FOUR (4) SECONDARY AIR HEATERS **PER SPECIFICATIONS 45616 & CONTRACT 04-45616** ATTENTION: CHARLES STEED RCN/LF **NOTE: THIS PURCHASE ORDER WAS CREATED FOR ACCOUNTING & TRACKING PURPOSES ONLY** *****ATTENTION IPSC WAREHOUSE***** THIS ORDER IS FOR A SERVICE AND NO MATERIAL WILL BE RECEIVED DATE REQUIRED 02/04/04	1SGX-502 03-96032-0	1,086,480.00	1,086,480.00
TOTAL COST						1,086,480.00

- Invoices and correspondence may be mailed to Intermountain Power Service Corporation, 850 West Brush Wellman Rd., Delta, Utah, 84624-9546.
- Acknowledgement is required if shipment will not be made within FIVE days.
- Mark packages or items with IPSC part number and/or P.O. Line number. Show number on invoice and packing slip.
- Vendor must furnish applicable material safety data sheets.
- Add to invoice all applicable federal taxes.

UTAH VENDORS ARE TO ADD TO THE INVOICE
ALL APPLICABLE STATE, AND COUNTY TAXES.

OUT OF STATE VENDORS, LICENSED TO
COLLECT UTAH TAXES, ARE TO ADD TAX OF 6%.

UTAH TAXES WILL BE ACCRUED BY IPSC FOR
OUT OF STATE VENDORS NOT LICENSED TO
COLLECT UTAH STATE TAX

RALPH NEWBERRY 435-864-4414

BUYER
REVIEWED BY

IP7_021997

NO. 016 003
FEB - 4 2004 0002
HAR

☐ PURCHASE AUTHORIZATION FOR EXPENSE ITEMS

Installation of Alstom Power Ljungstrom® Air Preheater Clearflow™ Rotor Modification Hardware and Heat Transfer Baskets on a total of four (4) Secondary Air Heaters

Conf. To:

Project No. IGSD3-02

Qty	Unit	Noun Description Adjective Catalog # Seller or Manufacturer	Unit Cost	Extension
1	ea	Installation of Alstom Power Ljungstrom®	\$1,100,000.00	\$1,100,000.00
		Air Preheater Clearflow™ Rotor Modification		
		Hardware and Heat Transfer Baskets on a total		
		of four (4) Secondary Air Heaters and other work		
		as per IPSC Specifications XXXX 45616		
		2004 Outage		
		2005 Outage		
				RECEIVED
				OCT 13 2003
				PURCHASING
				1,086,487
		TOTAL ESTIMATED COST		\$1,100,000.00

Remarks: To be issued for bid to TEI, MEI, and ALSTOM Power

delivered/requested by (Date) 04/01/05 Originator Bret Kent
 ✓ [Signature] 10-10-03 [Signature] 10/11/03 Bruce Hanning 11-20-03
 Spt. Mgr/Supt. Date Station Manager Date Operating Agent Date

IP7 021998



INTERMOUNTAIN POWER SERVICE CORP.
Delta, Utah 84624-9546 (435) 864-4414 - Purchasing FAX (435) 864-6678

VENDOR: TEI CONSTRUCTION SERVICES INC.
7870 SCHILLINGER PARK WEST
MOBILE, AL 36608

PURCHASE ORDER

15 MAR 2005

VENDOR MUST SHOW P.O. NUMBER ON ALL INVOICES, BILL OF LADING, CORRESPONDENCE, AND ON PACKING LISTS IN EACH CONTAINER, TO INSURE PROMPT PAYMENT. CHARGES FOR TRANSPORTATION MUST BE SUPPORTED BY COPY OF FREIGHT BILL.

PURCHASE ORDER NO.	VENDOR CODE	REQUISITION NO
05-45616-003	8149	212333

*** SHIP TO ***
INTERMOUNTAIN POWER SERVICE CORPORATION
850 W. BRUSH WELLMAN RD.
DELTA, UT 84624-9546

251-633-4181 OR 864-879-6860

CONFIRMING DO NOT DUPLICATE	NON CONFIRMING X	SHIP VIA BEST WAY	TERMS NET 30	FOB POINT S/P P.P. & ADD	PAGE OF 1 1	NONE
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INTERMOUNTAIN POWER SERVICE CORPORATION'S STANDARD TERMS AND CONDITIONS ARE INCLUDED AS PART OF THIS AGREEMENT

QUANTITY ORDERED	U M	IPSC PART NO.	DESCRIPTION	ACCOUNT NUMBER	UNIT PRICE	EXTENSION
1	EA		LINE 1 T&M WORK REQUIRED IN REMOVAL OF COLD INTERMEDIATE BASKET LAYER. THIS LAYER WAS INSTALLED AFTER STARTUP - DOCUMENTATION WAS NEVER UPDATED. REMOVAL OF THIS LAYER WAS NOT DEFINED IN THE ORIGINAL CONTRACT WORK SCOPE. THIS T&M WORK IS COVERED UNDER THE IGS03-02 2004-05 CAPITAL BUDGET. RELEASE # 3 AGAINST SERVICE CONTRACT # S45616 PURCHASE PRIORITY #4 APPRD BY G CROSS *** SERVICE CONTRACT DESCRIPTION *** INSTALL ALSTOM POWER LJUNGSTROM AIR PREHEATER CLEARFLOW ROTOR MODIFICATION HARDWARE & HEAT TRANSFER BASKETS ON 4 SECONDARY AIR HEATERS **PER SPEC 45616 & CONTRACT 04-45616** ****ATTENTION IPSC WAREHOUSE**** THIS ORDER IS FOR A SERVICE AND NO MATERIAL WILL BE RECEIVED DATE REQUIRED 03/17/05	1SGX-402 03-96032-4	22,000.00	22,000.00
					TOTAL COST	22,000.00

1. Invoices and correspondence may be mailed to Intermountain Power Service Corporation, 850 West Brush Wellman Rd., Delta, Utah, 84624-9546.

2. Acknowledgement is required if shipment will not be made within FIVE days.

3. Mark packages or items with IPSC part number and/or P.O. Line number. Show number on invoice and packing slip.

4. Vendor must furnish applicable material safety data sheets.

5. Add to invoice all applicable federal taxes.

UTAH VENDORS ARE TO ADD TO THE INVOICE ALL APPLICABLE STATE, AND COUNTY TAXES.

OUT OF STATE VENDORS, LICENSED TO COLLECT UTAH TAXES, ARE TO ADD TAX OF 6%.

UTAH TAXES WILL BE ACCRUED BY IPSC FOR OUT OF STATE VENDORS NOT LICENSED TO COLLECT UTAH STATE TAX

RALPH NEWBERRY 435-864-4414

BUYER

REVIEWED BY
3/15/05

IP7_021999